

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

v.

**AUBREY LEE PRICE;
PFG, LLC; PFGBI, LLC;
MONTGOMERY ASSET
MANAGEMENT, LLC f/k/a PFG
ASSET MANAGEMENT, LLC (Florida
Limited liability company); and
MONTGOMERY ASSET
MANAGEMENT, LLC f/k/a PFG
ASSET MANAGEMENT,
LLC (Georgia limited liability company),**

Defendants.

**Civil Action No.
1:12-cv-2296-TCB**

**LEGAL NOTICE OF CLAIMS ADMINISTRATION PROCESS
AND PLAN OF DISTRIBUTION**

**IF YOU INVESTED IN THE INVESTMENT
SCHEME OFFERED BY, OR ARE A
CREDITOR OF, AUBREY LEE PRICE, PFG,
LLC, PFGBI, LLC, MONTGOMERY ASSET
MANAGEMENT, LLC F/K/A PFG ASSET
MANAGEMENT, LLC, AND MONTGOMERY
ASSET MANAGEMENT, LLC F/K/A PFG
ASSET MANAGEMENT, LLC (THE “PRICE
INVESTMENT SCHEME”), YOU MAY BE
ENTITLED TO RECEIVE A PAYMENT
FROM FUNDS RECOVERED.**

EVEN IF YOU BELIEVE YOU ARE NOT ELIGIBLE FOR AN INITIAL DISTRIBUTION, YOU SHOULD STILL FILE A CLAIM NOW TO BE ELIGIBLE FOR ANY SUBSEQUENT DISTRIBUTION.

DEADLINE FOR ALL INVESTORS AND CREDITORS TO SUBMIT CLAIMS TO RECEIVER: _____, 2014

On _____, 2014, the Court-approved the Claims Administration Process and Initial Distribution Plan in this receivership case [ECF # ____], pursuant to which the “Eligible Claimants” (defined below) shall file proofs of claims for the amounts of their principal losses resulting from their investment in the Price Investment Scheme, or the amount that Defendants owe them, and the Receiver, Melanie E. Damian, Esq. (the “Receiver”) appointed by the Court to, among other things, marshal and liquidate the assets of Defendants Aubrey Lee Price, PFG, LLC, PFGBI, LLC, Montgomery Asset Management, LLC f/k/a PFG Asset Management, LLC (“MAM-Florida”), and Montgomery Asset Management, LLC f/k/a PFG Asset Management, LLC (collectively, the “Defendants”), and amass a “Price Fraud Fund” (defined below), shall distribute the proceeds of such Fund, after payment of administrative expenses, to investors and creditors with an “Allowed Claim” (defined below).

If you invested in the Price Investment Scheme or are a creditor of Defendants, you may be an Eligible Claimant entitled to file a Proof of Claim, and you may have an Allowed Claim and, thus, be entitled to receive a *pro rata* distribution from the Price Fraud Fund based on the amount you invested, the amount you received back from Defendants, and the amount you received back as a percentage of the *principle* amount you invested with Defendants or that Defendants owe you. If you are an Eligible Claimant, to obtain any distribution from the Price Fraud Fund, you must submit to the Receiver a Proof of Claim form on or before _____ 2014.

How was the Price Fraud Fund created?

The Price Fraud Fund is comprised of the funds and proceeds of sales of assets of Defendants, recovery of insurance proceeds and other property. These funds are the results of the Receiver's sustained efforts to marshal, safeguard, liquidate and recover assets, pursuant to her duties as the Court-appointed Receiver in the above-captioned enforcement action. The Receiver has deposited the funds and proceeds of sale of assets into a Court-approved receivership account. The proceeds of the Price Fraud Fund, after paying Court-approved administrative expenses, will be distributed, on a *pro rata* basis, to investors and creditors with Allowed Claims in accordance with the Court-approved initial distribution plan. This will be an initial distribution by the Receivership Estate, however future distributions are anticipated.

In fact, the Receiver projects that, following the proposed initial distribution, the Price Fraud Fund will be replenished with additional funds that the Receiver recovers as a result of her various asset recovery efforts, as described in the Plan and in Reports she has filed with the Court. As such, the Receiver expects to file with the Court a supplemental plan (or plans) of distribution as meaningful amounts of funds are recovered and become available for supplemental distribution, as the Receiver determines, using her business judgment, is in the best interest of the Estate and the defrauded investors and creditors.

Who is an Eligible Claimant?

The Receiver is providing this notice of the proposed claims administration process and initial distribution plan to all investors and creditors of the Receivership Defendants and *encourages all investors or creditors to submit a claim against the Receivership Estate, regardless of whether the initial distribution plan proposes to make a distribution to them at this time.*

Although a claim may not be "allowed" initially such that the claimant would be entitled to receive an initial distribution from the Price Fraud Fund pursuant to the present requirements set forth in the Plan, subsequent interim distributions may modify and/or change the threshold allowance requirements such that an initially disallowed claim may be subsequently allowed for purposes of those subsequent distributions. Therefore, it is imperative that all investors and creditors, regardless of

whether they believe their claim may be allowed or disallowed, submit a claim to the Receiver on or before the deadline set forth in this Notice.

Investors and creditors **with allowed claims** who have received transfers from Defendants totaling more than 65% of the total amount they invested with or transferred to the Defendants, *will not receive any pro rata distribution from the Price Fraud Fund unless and until there are sufficient funds in the Price Fraud Fund to make further distributions to investors AND the Receiver determines the feasibility of such distributions to any such class of investors and creditors.* Such distributions will be made pursuant to a supplemental distribution plan to be formulated by the Receiver (and approved by the Court) based on the sum then available in the Price Fraud Fund and the amounts recovered by all investors and creditors with allowed claims, including those who will have received a distribution under the initial distribution plan.

What is required to have an Allowed Claim?

Investor or a creditors claim will be allowed (an “Allowed Claim”), such they will be entitled to receive a distribution from the Price Fraud Fund based on that investor’s loss of principal investment in the Price Investment Scheme or the amount still owed to that creditor, subject to the aforementioned 65% threshold, provided that the investor or creditor can sufficiently demonstrate to the satisfaction of the Receiver through documentation and/or sworn statements, among other things:

(i) that such investor or creditor made transfers directly to a Defendant and/or an affiliate of a Defendant in connection with the Price Investment Scheme, or that such creditor is owed money from a Defendant;

(ii) that such investor or creditor (a) was not an affiliate, family member or insider of any Defendant, affiliate of any Defendant, or the Price Investment Scheme, and (b) did not knowingly assist any Defendant or affiliate of any Defendant to effectuate, perpetuate or promote the Price Investment Scheme or have knowledge of its fraudulent nature at the time of the investment;

AND

(iii) that the total amount that such investor or creditor transferred to Defendants and/or their affiliates exceeds the total amount that Defendants and/or their affiliates transferred back to such investor or creditor, and that the total amount transferred back to the investor or creditor was less than 65% of the total amount that such investor or creditor invested with or transferred to Defendants and/or their affiliates.

The Receiver may consider other factors in determining whether a claim is an Allowed Claim. If an investor or creditor cannot prove all three of the foregoing factors, that investor's or creditor's claim will be disallowed and such investor or creditor will receive no distribution. If an investor or creditor makes the requisite showing regarding his or her claim and the Receiver determines that such claim is an Allowed Claim, the Receiver will calculate the amount of such Allowed Claim by subtracting the total amount of all transfers that such investor or creditor received from Defendants and/or their affiliates from the total amount of transfers that such investor or creditor made to Defendants and/or their affiliates, irrespective of the success or failure of the particular investment or terms in any agreement underlying the debt providing for interest or fees.

Investors and creditors with Allowed Claims will only be entitled to receive a pro rata distribution based on the net loss from their investment or the principal amount owed; the Receiver will not include within her calculation for distributions any interest or profit that was promised to such investors or creditors.

If an investor or creditor makes the requisite showing regarding its claim and the Receiver determines that such claim is an Allowed Claim, the Receiver will calculate the amount of such Allowed Claim by subtracting the total amount of all transfers that each investor received from Defendant and/or Relief Defendants from the total amount of transfers that such investor made to Defendant and/or Relief Defendant in connection with the Price Investment Scheme, irrespective of the success or failure of the particular investment. Investors with Allowed Claims will only be entitled to receive a *pro rata* distribution based on the *principal* amount of their investment; the Receiver will not include within her calculation for distributions any interest or profit that was promised to such investors.

How does an Eligible Claimant submit a Claim?

The Proof of Claim and Release form package contains all of the information you need. You will find copies of the Proof of Claim and Release form enclosed with this Legal Notice. You may also obtain information regarding the claims process by:

- Visiting the websites of the Receivership (www.PriceReceivership.com) and of the Receiver's counsel (www.dvllp.com).
- Submitting questions by mail to the Receiver at Damian & Valori LLP, 1000 Brickell Avenue, Suite 1020, Miami, Florida 33131.
- Emailing the Receiver's counsel at PriceReceivershipClaims@dvllp.com.
- Calling the Receiver's counsel at 305-371-3960.

DEADLINES

_____ (Day 0)	Plan Approval Date
_____ (Day 10)	Notice/Proof of Claim forms sent out
_____ (Day 40)	Claims Bar Date
_____ (Day 60)	Receiver's Initial Determination Date
_____ (Day 80)	Investor Deadline for Appealing to Receiver
_____ (Day 90)	Receiver's Final Determination Date
_____ (Day 110)	Investor Deadline for Appealing to the Court
_____ (Day 125)	Receiver Response to Appeals Deadline

_____ (Day 135)

Receiver Files Motion to Approve
Final Distribution